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GOVERNOR HASLAM, COMMISSIONER HAGERTY, SHELBY COUNTY OFFICIALS ANNOUNCE EXPANSION OF KRUGER

Company to Invest \$316 Million, Create 100 New Jobs in Memphis

NASHVILLE – Tennessee Gov. Bill Haslam, Economic and Community Development Commissioner Bill Hagerty and Shelby County officials today joined with representatives from Kruger to announce plans by the company to expand its existing Memphis mill. The company will invest \$316 million to implement state-of-the-art manufacturing equipment, thereby increasing its production capacity by 18 percent. The expansion will create 100 direct jobs in Memphis, as well as protect 2,400 existing jobs in the company's facilities in both the U.S. and Canada.

"Established Tennessee companies such as Kruger provide a solid foundation on which our state's economy will continue to grow," Haslam said. "I congratulate Kruger on their success and thank them for the additional 100 jobs created in Memphis."

"As part of Governor Haslam's Jobs4TN plan, my department has renewed its focus on existing industries, as they are by far the major job creators in the state," Hagerty said. "This is evident by Kruger's decision to expand right where they are. I appreciate the company's continued confidence in Tennessee's workforce and in our state."

"The proximity of our Memphis Mill to growing U.S. markets will further strengthen our competitive position in North America," Mario Gosselin, chief operating officer, Kruger Products L.P, said. "We had many supporters who recognized from the very start the potential of this project in terms of job creation and future growth for the benefit of the Memphis community."

The project involves the construction of a new building and the purchase of a new tissue machine, as well as converting and handling equipment. The existing mill is located at 400 Mahannah Avenue.

"We're overjoyed that Kruger has chosen to expand its operations in the heart of Memphis," Mayor A C Wharton, Jr., said. "The project is yet another example of economic revitalization in Memphis' core city at a time when that's not necessarily happening in other cities. The investment they will make in their property goes hand-in-hand with the city's major investments in the Uptown North and Downtown areas. Ultimately, it will create a strong anchor for the neighborhood and, with the jobs that it brings, a powerful driver for both the state and local economies."

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"This is great news for every person who lives and works in Shelby County," Shelby County Mayor Mark H. Luttrell, Jr. said. "Kruger's decision to expand operations is vital to the success of our community. It also shows how much can be accomplished through the collaboration of government agencies and the chamber of commerce."

"After five years of working with Kruger USA, we are extremely pleased that they chose Memphis for this large investment," Mark Herbison, sr. vice president of Economic Development, Greater Memphis Chamber, said. "This is another successful example of our community's economic development strategy and plan, MemphisED. Under this coordinated effort, both private and public sectors have worked tirelessly to bring new manufacturing jobs to Memphis."

About the Tennessee Department of Economic and Community Development

The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth. To find out more, go to www.tn.gov/e.cd.

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